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Assistance for the rehabilitation and reconstruction of Liberia

Report of the Secretary-General

I. Introduction

1. The inauguration of an elected Government headed by President Charles G. Taylor in August 1997 constituted a significant landmark in Liberia's transition from civil conflict to peace and resumption of normal development activities. However, two and a half years after the inauguration, the path to sustainable peace and recovery remains uncertain, owing mainly to residual governance problems and inadequate external support to the country's reconstruction programme. The restoration of peace has not brought rapid and sustainable social and economic recovery, despite programmes initiated by the Government aimed at reconciliation and reconstruction. The peace process was supported by the international community with substantive technical and logistical support coming from the Economic Community of West African States (ECOWAS), the United Nations system, and Liberia's major donors, notable among which were the European Union (EU), the United States of America, the Netherlands, France, Denmark, Norway, Sweden, Germany, and the United Kingdom of Great Britain and Northern Ireland. The United Nations agencies, through the resident coordinator system, continued their support for the consolidation of the gains of the peace process.

2. After its inauguration, the Government launched the National Reconstruction Programme (NRP), to address critical needs arising from the conflict and to lay the foundation for sustainable long-term recovery. The process of formulating the NRP was highly participatory and took into consideration the views and contributions of the United Nations system, USAID, EU, the Bretton Woods institutions, and the civil society and non-governmental organizations operating within the country. The NRP identified the Government's priority areas as the consolidation of peace and democracy, resettlement, reintegration and active participation of the people, and rebuilding the physical, social, and institutional infrastructure that had been virtually destroyed during the conflict.

3. In view of the above-mentioned goals, international assistance is geared towards building capacity for participatory and accountable governance

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and recreating a social safety net for the population, which now stands at 2.6 million and grows at the rate of 2.4 per cent annually. Eighty percent of the country's population, as estimated by the United Nations Common Country Assessment (CCA), lives below the poverty line of US$ 1 per day. Per capita income level fell from $457 (1987) to $150 (1997) and had risen to only $225 in 1999. The infant mortality rate stands at 780 per 100,000 live births, with equally high mortality and morbidity rates among the adult population due to preventable and easily cured diseases. International assistance is also focused on rebuilding capacity for essential governmental operations, including the restoration of the effectiveness of the court system and confidence in the rule of law. United Nations assistance has continued in various forms of residual humanitarian and reconstruction activities, along the lines described below.

II. Specific actions taken in response to the Donors' Conference

4. The NRP was presented to donors at a conference held in Paris on 7 April 1998. The initial response was favourable, and pledges and commitments totalling $229.9 million, 109 per cent of the first-phase funding requirement, were made. A mini-donors' meeting was held in Washington, D.C. on 29 September 1999 to assess progress on the implementation of the NRP and the general situation in the country. One of the conclusions of that meeting was that donors should carry out a joint assessment mission to Monrovia. The mission was carried out from 15 to 19 November 1999.

5. The Monrovia meeting was attended by representatives from the United States, the Netherlands, the European Union (EU), the Economic Commission for Africa (ECA), the World Bank, the International Monetary Fund, The United Nations Peacebuilding Support Office in Liberia, the Department of Peacekeeping Affairs (United Nations Secretariat), and the United Nations Development Programme (UNDP). The mission was jointly led by the World Bank and UNDP. The mission objectives were:

(a) To assess the implementation of the NRP and the use of donor funds committed at the 1998 Paris meeting;

(b) To review progress on specific areas that continue to be sources of concern to donors, including the rice and petroleum monopolies, creation of an enabling environment for the private sector through, *inter alia*, strengthening of the legal and judicial framework, and governance and human rights;

(c) To consult on the follow-up actions to the mission's findings.

6. In an atmosphere characterized by frank and open exchange of views, the Government presented its outlook on the current situation in the country, the challenges faced, successes achieved, and the persistent constraints to the national recovery process. The mission made observations and reiterated the concerns of the international community in four areas: internal security; good governance (including respect for the rule of law); macroeconomic performance; and humanitarian assistance.

7. The general conclusion was that significant progress had been made in the implementation of the first phase of the NRP. Approximately 90 per cent of the resources committed at the Paris 1998 meeting were being utilized. Moreover, the overall security situation had improved considerably. There were also positive results from the resettlement of the conflict-affected population and rehabilitation of war-ravaged social infrastructure. In addition, notable progress had been made in stabilizing the macroeconomic environment through far-reaching monetary, fiscal and structural policy reforms. It should be noted, however, that major infrastructures such as the electricity grid, communications system, and roads remained dysfunctional while the financial system and the weak capacity in all sectors further constrained the recovery process.

III. Governance, security, and the rule of law

8. As a post-conflict country, Liberia is still a fragile political setting, with limited internal resources, growing poverty, and dwindling external assistance, which constitute important factors militating against smooth transition. The two armed incursions in the north of the country in 1999 are evidence of the continuing need for reconciliation and peace-building activities extending across the national borders. The political and security situation is highly susceptible to

subregional events, especially in neighbouring Sierra Leone, where significant progress in the peace process has been difficult to achieve and the relations between members of the Revolutionary United Front (RUF) the defunct Armed Forces Revolutionary Council (AFRC) and some officials in the Government of Liberia have been a source of regional tensions. Therefore, Liberia's role in mediating the 1999 peace process in Sierra Leone has had a positive impact on the tenuous relations between the subregional States and on its internal security. Efforts to facilitate outstanding issues of reconciliation, peace-building, repatriation and healing have been encouraged through regular, open, and frank discussions with the United Nations system.

9. ECOWAS has intensified its efforts to help consolidate peace in the subregion. They include support for the 2 March 2000 summit of the Heads of State of Guinea, Liberia, and Sierra Leone, held in Bamako, Mali, and that of their foreign ministers in Monrovia, Liberia, on 18 March 2000. The decision to revitalize the Mano River Union (MRU) institutions to deal with political, security, and socio-economic concerns between the three States featured prominently among the major outcomes of that process. Subsequent meetings are planned for the Heads of State and for ministers responsible for defence, security, the interior and foreign affairs during the month of May in Conakry and Freetown. To foster a sense of collective leadership and responsibility in the subregion, ECOWAS is broadening its initiatives, to allow for the participation of civil society groups and non-governmental organizations, and building stronger partnerships with ECA, the World Bank, and the United Nations system.

10. The Government, in recognition of the need to continue the demobilization process and improve the calibre of its security apparatus, proposed a restructuring programme for the armed forces. So far, the programme has received little interest from donors, and the Government has proceeded with implementing aspects of it using its own meagre resources. In the third quarter of 1999, the Government brought some 12,000 ex-combatants onto the public-sector payroll, as an interim measure to promote internal stability. To complement these efforts, UNDP is providing support for strengthening the Liberia National Police, focusing on training and the provision of non-lethal logistical assistance.

11. UNDP continued to support the promotion of good governance through its project executed by the Department of Social and Economic Affairs, United Nations Secretariat. It is also supporting the rebuilding of Government's capacity for sound and coordinated economic management through support to five key institutions under a complementary project executed by the United Nations, Secretariat Office of Project Services. In its medium-term strategy, the Government has prioritized macroeconomic stability through a sound fiscal regime, the development of a functioning monetary and financial system, and maintaining a low-inflation environment. UNDP supports these efforts through well-placed assistance within the context of its two projects and through continuous upstream policy dialogue.

12. The Government made efforts to reopen courts nationwide, organized public debates on judicial reform, established a judicial reform commission, and adopted a code of ethics for judges. The lack of adequate resources has seriously hampered efforts to improve living and working conditions for judges. The Government of the United States and UNDP are providing training and basic logistical assistance for the re-establishment of the rule of law. Assistance is also being provided to the national legislature, through training interventions, to enhance the understanding of their role and responsibility in the context of a system for democratic governance.

13. Assistance programmes at the community level are moving from largely short-term humanitarian assistance to more substantive areas of rehabilitation, reconstruction and development. The major implementing partners for United Nations agencies have been non-governmental organizations. In view of the proliferation of such organizations in the country, the Government and the United Nations system commissioned a capacity assessment study by non-governmental organizations and community-based organizations to determine their absorptive capacity and the additional support that would be required to promote local ownership and build capacity for implementing development projects. The study identified the poor state of the national infrastructure and the declining flow of resources as the two major obstacles to delivery of assistance. Nevertheless, it took note of the groundswell of initiatives at the town and village level, signifying the willingness and commitment of ordinary Liberians to rebuilding their

lives. The study also dealt with coordination issues and identified bottlenecks at the national, sectoral, and local levels, pointing clearly to the need for a structure that is both horizontal and vertical and that will take into consideration the need to harmonize national policies and priorities and build complementarity across sectors. Non-governmental organizations were ranked into three categories, largely on the basis of their internal governance, impact of their programmes on the beneficiaries, and location of headquarters (external/internal). Recommendations were made for capacity-strengthening on the basis of the ranking. In these respects, useful information has been provided for evolving a more effective system by the Government and the United Nations system for coordinating and facilitating the participation of non-governmental organizations in the post-conflict recovery and reconstruction process and for improving the channelling of resources in support of the priorities identified in the National Reconstruction Programme.

14. Rebuilding the capacity of civil society, which remains the wellspring of social capital, has also been supported by the United Nations system. Civil society organizations sustained their activities in Liberia during 1999. Most of the activities were seen as complementary to the efforts of governmental institutions and donors to provide basic services and protect rights. Most civil society organizations are church-related or professional associations. UNICEF supported the establishment of an Eminent Persons Group to advocate for children. The group is comprised of well-known, influential leaders from within and outside the Government, from the political arena and the private sector. The group plays a critical role in keeping children's issues high on the national agenda.

15. The United Nations theme groups and the Development Forum provided a medium for promoting a culture of free exchange of ideas and best practices in all areas of development and informing the policy-making process through debates on development issues. Similarly, the Good Governance Forum, supported by UNDP, brought together Liberians of diverse opinions to discuss issues relevant to good governance in Liberian society, thus enabling them better to understand each other's point of view, foster a culture of tolerance, and find common solutions to problems facing society.

IV. Macroeconomic performance

16. Immediately after its inauguration, the Government initiated bold measures aimed at macroeconomic reform and stabilization. They have resulted in a sharp reduction in the budget deficit, containment of inflationary pressures, and a streamlining of the monetary situation. Some progress has been made in restoring confidence in the financial system through the establishment of a full-fledged central bank and improvements in the regulatory and incentive structure for private investors. These reforms are being implemented in the context of an International Monetary Fund (IMF) staff-monitored programme which is contributing to the recovery in economic growth, the rekindling of private-sector confidence, and the rebuilding of relations with the Bretton Woods institutions.

17. Domestic production continues to increase but is still at only about one third of the pre-war level. Provisional data suggest a real GDP growth of 25-30 per cent in 1998 and 20–25 per cent in 1999. The growth is led by the agricultural sector where, by FAO estimates, the production of many of the food crops — notably rice and cassava (manioc) — has reached 70-75 per cent of the pre-war level. With the general improvement in food security, based on increased domestic production, the need for general food aid has been considerably reduced. There have also been sizeable increases in cash crop (rubber, coffee, cocoa) and timber production. Nevertheless, the informal sector continues to be the major source of income generation in urban areas, while subsistence farming activities provide livelihood for the rural populace.

18. With regard to foreign trade, the imbalance continues to be considerable despite the decline in the importation of humanitarian aid commodities. In United States dollar terms, exports grew by 70 per cent in 1998 and 30 per cent in 1999. This has been led largely by the increase in rubber and timber exports, accounting for 95 per cent of the country's export earnings. Imports fell significantly, by nearly 34 per cent, in 1998 with the transition from the humanitarian assistance phase and grew by only 4 per cent in 1999. Provisional figures indicate a trade deficit of $112 million in 1999, which is 25 per cent of GDP. The deficit was financed largely by grant assistance, private transfers, and foreign investment capital.

V. Humanitarian assistance/ resettlement, repatriation, and reintegration

19. The complexity of the Liberian situation requires the building-up of synergies between humanitarian efforts and developmental efforts to support sustained peace. While humanitarian assistance has been forthcoming, donors have been reluctant to support development activities, owing to their concern about residual but persisting security and governance problems. The November 1999 multi-donor mission recognized the need for flexibility in the allocation and use of resources in order to achieve the twin goals of ensuring consistency with the requirements of the NRP and ensuring an efficient transition from relief to sustainable development. Regrettably, few follow-up actions have been undertaken, due to continuing poor relations between the Government and its major international partners.

20. The Liberia Refugee, Repatriation, and Resettlement Commission (LRRRC) continued its efforts to repatriate refugees in the subregion and to resettle internally displaced persons, with assistance from the Office of the United Nations High Commissioner for Refugees (UNHCR), the World Food Programme (WFP), and other United Nations agencies as well as various local and international non-governmental organizations. More that 36,800 internally displaced persons were relocated in 1999 from occupied structures in the centre of Monrovia to their towns and villages of origin in the west and south-east of the country, with significant support from the United Nations agencies and the Government of Sweden. Family resettlement kits, comprised of handtools and basic shelter construction materials, were distributed.

21. A total of 126,880 refugees have been assisted by UNHCR, in collaboration with WFP, the European Union, and various local and international partners, to return home voluntarily. The Government of the United States provided significant support to the operations of WFP. The United Nations system, in collaboration with the Government, provided basic facilities and services, including health care and primary education opportunities, to facilitate reintegration. The special needs of children were addressed by UNHCR, the United Nations Children's Fund (UNICEF), and Save the Children (United Kingdom).

22. UNHCR's resettlement and reintegration activities will phase out in June 2000. Neither the Government nor the other United Nations system agencies are fully prepared to take over its activities. The challenge is to identify mechanisms to ensure continuity of the ongoing reintegration activities. Of the existing caseload of approximately 176,000 Liberian refugees in neighbouring Côte d'Ivoire and Guinea, approximately 112,000 will remain exiled after the phasing out of activities. Furthermore, Liberia provides asylum for over 90,000 Sierra Leonean refugees, the bulk of which are sheltering in areas bordering the two countries. In collaboration with the Government and other United Nations system agencies, UNHCR provides shelter materials, household items, food, health care, education, water and sanitation facilities and protection.

VI. Health

23. In reproductive health, UNFPA and UNICEF are jointly supporting a two-year (1999-2000) project aimed at the revitalization of basic and reproductive health services, including family planning and sexual health, in seven counties. Additionally, WHO, UNICEF, and UNFPA are collaborating with the Government and United States-based non-governmental organization Africare in a nationwide safe motherhood needs assessment. This will lead to the development of a three-year plan within the framework of a reproductive health programme. UNDP and the World Health Organization (WHO) are supporting the development of a national health policy, which will provide a coherent frame of reference for the revitalization of the health sector.

24. The United Nations system, particularly WHO and UNICEF, supported the Government in the implementation of national immunization days for polio eradication. The campaign provided 100 per cent coverage of children under five. WHO, UNICEF, and UNDP supported the construction of water and sanitation facilities and training in public health education at the community level throughout the country.

25. WHO, UNDP and the Government conducted an HIV/AIDS situation analysis and developed a strategic plan for Liberia, which was adopted by the United Nations theme group on HIV/AIDS. In collaboration with UNICEF and UNDP, UNFPA and WHO provided

support for the strengthening of the National AIDS Control Programme (NACP). Condoms were supplied nationwide as part of awareness-raising activities for safe sex practices and family planning. Epidemiological surveillance helped determine the prevalence of HIV/AIDS. From 1986, when the first AIDS case was reported, to 1988, 243 cases were confirmed. During 1998, the HIV prevalence rate rose to 4.5 per cent, with the highest rate noted among the age group 20-29 (5.2 per cent). Gender-disaggregated data revealed higher infection rates in females than in males tested in 1998 — 7 per cent and 3.3 per cent respectively. Nevertheless, the overall trend shows a decline in reported prevalence from 7.1 per cent in 1997 to 4.5 per cent in 1998. This holds true across all age groups, geographical locations, patient categories (with the exception of visa applicants), levels of education, and occupations. These rates are believed to be underestimated since the years of conflict masked the magnitude of the problem, and selection bias, misdiagnosis, and underreporting undermined the quality of the results.

26. Technical and logistical support was provided to facilitate the extension of blood safety and public awareness activities into rural Liberia and to enable the participation of community-based organizations in HIV/AIDS prevention and in caring for people living with HIV/AIDS. Two United Nations Volunteers (an epidemiologist and an IEC trainer) were recruited for the NACP. The President of Liberia presided over the World Aids Day celebrations, during which he reaffirmed the country's commitment to combat HIV/AIDS and established the National Commission on HIV/AIDS. WHO, UNDP and UNFPA supported the celebrations by providing logistics for HIV/AIDS awareness activities, including the production of a programme in 16 local languages for distribution to people in rural areas. Despite these efforts, there is still a low level of interest among the general population on the HIV/AIDS problem. The NACP lacks adequate resources for a sustained effort aimed at awareness-raising and only a tiny fraction of the health facilities in the country have HIV testing capacity.

VII. Education

27. The Government was assisted in launching a number of key initiatives in the education sector, such as an accelerated learning programme for over-age children who had been out of school during the years of conflict, a girl's education survey, and a mass literacy campaign. The provision and the distribution of textbooks and teacher-training support were complemented by the physical renovation of schools by UNDP. Close linkages were forged with the Government and between UNICEF and UNESCO in the area of education policy development; UNICEF and UNHCR in teacher training; and UNICEF and WFP in the school food programme, under which 800,000 primary and secondary children from 1,400 schools in nine counties in Liberia and 15,000 teachers and school support staff benefited. In collaboration with UNICEF and other agencies, WFP also supported the provision of vocational education and other skills-training activities by distributing food assistance to an average of 4,000 trainees per month under their Food for Training Programme.

VIII. Community revival and restoration

28. Community revival and restoration activities centre around the provision of basic social services and income. The United Nations system and the donor community assisted the Government in rehabilitating 230 health clinics, 14 hospitals and 13 health centres out of a pre-war total of 330 clinics, 31 hospitals, and 54 health centres. A total of 135 schools have been renovated in nine of the 13 counties with assistance from the United Nations. Local artisans and tradesmen were used in the rehabilitation effort, thus creating employment for approximately 9,000 persons. Notwithstanding these achievements, basic social service delivery is still well below the pre-war level, with a significant proportion of the population lacking access to a regular supply of safe drinking water and to health, education, and sanitation facilities. Adult literacy stands at 35 per cent and net enrolment at the primary and secondary levels stands at approximately 42 per cent, compared to 46 for sub-Saharan Africa.

29. Microfinance (microgrants and microcredit) assistance and skills training opportunities have reached approximately 35,000 direct and indirect beneficiaries. In view of the widespread destruction of the housing stock, UNDP and the United Nations Centre for Human Settlements (Habitat) launched a project to upgrade skills in rural housing construction and town/village planning. The project aims to

construct 1,000 demonstration units in 4 of the 13 counties, using mostly improved locally available housing construction materials. The project will also promote cooperative development in the production of low-cost housing materials.

IX. Food security

30. FAO and WFP, in support of the Government's initiatives, distributed seeds, tools and seed protection rations to 29,800 farmers. The production of rice and cassava, the two main staple crops, had risen to over 70 per cent and almost 100 per cent, respectively, of the pre-war level, compared to 25 per cent and 50 per cent, respectively, in 1995. However, it should be noted that Liberia was only 70 per cent self-sufficient in rice production in pre-war times.

31. FAO, with support from UNDP, assisted the Ministry of Agriculture to formulate a framework document for the Special Programme for Food Security (SPFS). This was followed by a development-oriented project, SPFS: Water Control and Intensification Components, funded through the FAO Technical Cooperation Programme. The United States, the European Union, Japan and Canada were the major contributors of 27,824 metric tons of assorted food commodities, including cereals, pulses, oils, a corn/soya blend, sugar and salt, delivered by WFP and its partners to an average monthly caseload of 250,748 beneficiaries.

X. Gender concerns

32. As reflected in the NRP and various policy papers, the Government is committed to promoting women's advancement and gender equality in Liberia. The United Nations Theme Group on Gender assisted the Government in preparing the Liberia country report to the special session of the General Assembly held five years after the Fourth World Conference on Women and in developing a strategic framework for the implementation of the Convention on the Elimination of All Forms of Discrimination Against Women. Most United Nations agencies paid particular and deliberate attention to gender mainstreaming in their country programmes, addressing issues such as eliminating discriminatory laws and socio-cultural practices against women and girls, banning the establishment of secret societies near refugee camps in Liberia, promoting education for the girl child, promoting adolescent and women's health and reproductive health, and training in income-generating skills. In collaboration with other United Nations agencies, UNFPA helped to strengthen the secretariat and activities of the Liberia chapter of the Federation of African Women Educationalists (FAWE). The involvement of women in United Nations projects and programmes was promoted in an effort to advance the empowerment of women. FAO ensured that rural women's groups and non-governmental organizations were involved as implementing partners, and as a result, on average, 60 per cent of the beneficiaries in FAO-funded projects were women. WFP supported projects specifically aimed at the empowerment of women.

33. Although significant progress has been made in raising awareness and mainstreaming gender internally and through United Nations-supported programmes, much more remains to be done towards insuring gender equality in Liberia. One of the main constraints has been the limited follow-up capacity within the United Nations system and Government. UNDP (through a project executed by the United Nations (Secretariat) Office for Project Services) and UNIFEM, with support form the theme group on gender, have been assisting women's groups and the Government to undertake advocacy activities and to sensitize and train public officials and opinion leaders in various aspects of gender mainstreaming and empowerment.

XI. Major challenges facing the country

34. The Abuja II extended peace agreement (1996), which led to the election of the current Government, was a product of compromise and international pressures after the military stalemate. The country's major challenge is consolidating the peace and addressing problems emanating from the conflict and the social disparity and ethnic divisions that fueled the conflict. The needs of a significant proportion of the demobilized combatants, former child combatants, and the war-wounded have not been adequately addressed. In the face of the subregional security situation, the presence of a large number of unemployed youth and former combatants in urban areas continues to pose a threat to long-term stability.

35. While the return of growth is encouraging, the economic base is at only one third of its pre-war level. This is inadequate to ensure a sustainable impact on the poverty situation, which is also a threat to long-term stability. United Nations efforts to support the revitalization of the basic social safety net for the population have been further constrained by declining resources. The situation is made even more complex by the low-level of interest in democratization, including accountability in governing institutions, transparency, and the adherence to the rule of law. Adherence to the principles of separation of powers into three distinct branches of Government (legislative, judiciary, executive), as prescribed by the organic laws of Liberia, has still to be achieved.

XII. Recommendations for action by the General Assembly

36. There is dire need for greater recognition of the post-conflict challenges facing Liberia and the subregion within the international community in general and among the major donors in particular. The subregional dimension to the conflict should be acknowledged and should lead to the regeneration of support for the peace-building process in Liberia. It is therefore recommended that the General Assembly reaffirm its resolution 53/1, expressing gratitude to ECOWAS, the major donor countries, and the Bretton Woods institutions for their continuing efforts towards building sustainable peace in the subregion and calling for further support for the rehabilitation and reconstruction effort in Liberia, while reaffirming its support for the United Nations system collaboration and dialogue with the Government of Liberia in the fields of human rights, national reconciliation, peace-building, and strengthening of the rule of law.